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Proposed Counsel for Debtor and Debtor in Possession

UNITED STATES BANKRUPTCY COURT
FOR THE DISTRICT OF OREGON

In re

4 Him Food Group, LLC, an Oregon
corporation, dba **Cosmos Creations**

Debtor.

Case No. 19-62049-tmr11

**DEBTOR'S APPLICATION FOR
AUTHORIZATION TO EMPLOY
LEONARD LAW GROUP, LLC AS
GENERAL BANKRUPTCY COUNSEL,
AND NOTICE THEREON**

NOTICE OF MOTION

If you oppose the proposed course of action or relief sought in this motion, you must file a written objection with the bankruptcy court no later than July 24, 2019.

If you do not file an objection, the court may grant the motion without further notice or hearing. Your objection must set forth the specific grounds for objection and your relation to the case. The objection must be received by the clerk of court at 405 East 8th Ave. #2600, Eugene, OR 97401, by the deadline specified above or it may not be considered. You must also serve the objection on debtor's counsel, Leonard Law Group, LLC, Attn: Timothy A. Solomon, 1 SW Columbia STE #1010, Portland, OR 97258, within that same time. If the court sets a hearing, you will receive a separate notice listing the hearing date, time, and other relevant information.

4 Him Food Group, LLC dba Cosmos Creations (the “**Debtor**”) hereby moves (the “**Motion**”) the Court for authority to employ the law firm of Leonard Law Group, LLC (“**LLG**”) as general counsel for the Debtor in this chapter 11 proceeding. This motion is supported by the Declaration of John P. Strasheim in Support of First-Day Motions dated July 2, 2019 (the “**First-Day Declaration**”). In support of this Motion, the Debtor states as follows:

BACKGROUND

1. On July 2, 2019 (the “**Petition Date**”), the Debtor commenced a voluntary case under chapter 11 of the Bankruptcy Code.
2. The Debtor is continuing to operate its businesses and property as a debtor in possession pursuant to 11 U.S.C. §§ 1107 and 1108. At this time, no trustee or examiner has been requested or appointed, and the United States Trustee has not appointed an official committee of creditors.
3. The Debtor is an Oregon corporation founded in 2011. With a team of approximately 50 employees, the Debtor crafts premium natural snack foods – including non-GMO hull-and-kernel-free puffed corn – from state-of-the-art manufacturing facilities in Junction City, Oregon. The company has grown from a small rented space with around \$300,000 in annual sales, to owned facilities of over 133,000 sq. ft. and nationwide sales of nearly \$17 million in 2015.
4. In August 2018, the company began evaluating strategic options for the business, including its sale. After a thorough marketing process, Cosmos has signed an agreement to sell substantially all of its assets (subject to this Court’s approval, after an opportunity for overbids) to a well-known Oregon food company.
5. LLG began providing pre-bankruptcy representation to the Debtor in April 2019. The details concerning LLG’s engagement as bankruptcy counsel, and the payments made to LLG in connection with that engagement, are disclosed in the accompanying Rule 2014 Verified Statement of Proposed Professional (“**LLG’s 2014 Statement**”).

JURISDICTION

6. This Court has jurisdiction over this core proceeding pursuant to 28 U.S.C. §§ 157 and 1334 and Local Rule 2100-1. Consideration of this application constitutes as core proceeding under 28 U.S.C. § 157(b)(2)(A). Venue is proper under 11 U.S.C. §§ 1408 and 1409. The statutory predicates for the relief requested herein are 11 U.S.C. §§ 327(a) and 1107.

RELIEF REQUESTED

7. The Debtor request an Order, substantially in the form attached hereto as **Exhibit A**, and effective as of the Petition Date, authorizing it to employ LLG as its general bankruptcy counsel in this chapter 11 case pursuant to its standard hourly rates.

GROUND FOR RELIEF REQUESTED

8. The Debtor proposes to employ LLG as counsel to assist the Debtor in connection with performance of its duties, functions, and obligations in the Debtor's bankruptcy case, including but not limited to the following tasks:

- a) Advising and representing the Debtor with respect to the administration of the case, including its rights, powers, and duties as a debtor in possession;
- b) Preparing the Debtor's schedules of assets and liabilities, and statement of financial affairs required to be filed by the Debtor under the Bankruptcy Code and applicable procedural rules;
- c) Representing the Debtor in matters related to the use of cash collateral and obtaining credit;
- d) Assisting the Debtor with regards to its efforts to sell all or substantially all of its assets;
- e) Investigating and, if appropriate, prosecuting on behalf of the bankruptcy estate any claims and causes of action belonging to the estate; and
- f) Advising the Debtor concerning alternatives for restructuring its debts and financial affairs pursuant to a chapter 11 plan, or if appropriate, dismissal or conversion of the case

9. The Debtor has selected LLG because it believes the firm is well qualified to represent it in this case, and for its specialized expertise in commercial bankruptcy. Lead

counsel Timothy A. Solomon and Justin D. Leonard have many years of experience representing business debtors (as well as creditor committees, chapter 11 trustees, chapter 11 plan agents, and secured creditors) in chapter 11 cases.

10. The proposed rate of compensation, subject to this Court's approval, is LLG's current and ordinary hourly rates of its attorneys (Justin Leonard at \$390/hr.; Timothy Solomon at \$380/hr.; and Holly Hayman at \$310/hr.) as subject to change from time to time.

11. To the best knowledge of the Debtor, except as disclosed in LLG's Rule 2014 Statement, LLG does not have any connections with the Debtor, creditors, any other party in interest, their respective attorneys or accountants, the United States Trustee, or any person employed by the office of the United States Trustee, or any District of Oregon bankruptcy judge.

12. To the best knowledge of the Debtor, LLG is a disinterested person within the meaning of 11 U.S.C. § 101(14) and does not represent or hold any interest adverse to the interests of the bankruptcy estate or of any class of creditors or equity security holders.

CONCLUSION

WHEREFORE, the Debtor requests that the Court enter an order in substantially in the form attached hereto as **Exhibit A**, effective as of the Petition Date, authorizing it to employ LLG as its general bankruptcy counsel in this chapter 11 case on an hourly basis, with compensation and reimbursement of expenses to be paid as an administrative expense in such amounts at the Court may allow under 11 U.S.C. §§ 330 and 331.

DATED: July 2, 2019

4 Him Food Group, LLC

By: /s/ John Strasheim
John Strasheim, CEO

ACCEPTED & FILED BY:

LEONARD LAW GROUP LLC

By: /s/ Timothy A. Solomon

Timothy A. Solomon, OSB 072573

Direct: 971.634.0194 / Email: tsolomon@LLG-LLC.com

Proposed Counsel for Debtor and Debtor-in-Possession

UNITED STATES BANKRUPTCY COURT
FOR THE DISTRICT OF OREGON

In re

4 Him Food Group, LLC, an Oregon
corporation, dba **Cosmos Creations**

Debtor.

Case No. 19-62049-tmr11

**ORDER AUTHORIZING EMPLOYMENT
OF LEONARD LAW GROUP, LLC AS
GENERAL BANKRUPTCY COUNSEL**

This matter came before the Court pursuant to the Debtor's Application for Employ Leonard Law Group, LLC ("**LLG**") as General Bankruptcy Counsel (the "**Application**"). Based on the Application and the documents submitted in support thereof, including LLG's Verified Rule 2014 Statement and the Declaration of John P. Strasheim in Support of First Day Motions (Docket No. ____), the record in the Bankruptcy Case, and the Court otherwise being fully advised,

NOW, THEREFORE, it is ORDERED:

1. Debtor's Application is approved. The Debtor is authorized to employ the law firm of Leonard Law Group LLC, effective as of the Petition Date, as Debtor's Chapter 11 counsel to represent Debtor in conducting the case; and

2. The Debtor shall pay LLG for its services, and shall reimburse its expenses, only upon the entry of an order of the Court approving such fees and expenses under 11 U.S.C § 330, and other applicable provisions of the Bankruptcy Code, the Federal Rules of Bankruptcy Procedure, and the Local Rules of this Court, including procedures established under Local Bankruptcy Rule 2016-1.

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CERTIFICATION OF COMPLIANCE WITH LBR 9021-1(a)(2)(A)

I certify that I have complied with the requirements of LBR 9021-1(a)(2)(A).

PRESENTED BY:

LEONARD LAW GROUP LLC

/s/ Timothy A. Solomon

Justin D. Leonard, OSB 033736

Timothy A. Solomon, OSB 072573

Holly C. Hayman, OSB 114146

Proposed Counsel to Debtor and Debtor in Possession

c: ECF Participants
Interested Parties by US Mail

UNITED STATES BANKRUPTCY COURT
DISTRICT OF OREGON

In re)
) Case No. _____
)
)
Debtor(s)) RULE 2014 VERIFIED STATEMENT
) FOR PROPOSED PROFESSIONAL

Note: To file an amended version of this statement per ¶19, file a fully completed amended Rule 2014 statement on LBF #1114 and clearly identify any changes from the previous filed version.

1. The applicant is not a creditor of the debtor except:
2. The applicant is not an equity security holder of the debtor.
3. The applicant is not a relative of the individual debtor.
4. The applicant is not a relative of a general partner of the debtor (whether the debtor is an individual, corporation, or partnership).
5. The applicant is not a partnership in which the debtor (as an individual, corporation, or partnership) is a general partner.
6. The applicant is not a general partner of the debtor (whether debtor is an individual, corporation, or partnership).
7. The applicant is not a corporation of which the debtor is a director, officer, or person in control.
8. The applicant is not and was not, within two years before the date of the filing of the petition, a director, officer, or employee of the debtor.
9. The applicant is not a person in control of the debtor.
10. The applicant is not a relative of a director, officer or person in control of the debtor.
11. The applicant is not the managing agent of the debtor.
12. The applicant is not and was not an investment banker for any outstanding security of the debtor; has not been, within three years before the date of the filing of the petition, an investment banker for a security of the debtor, or an attorney for such an investment banker in connection with the offer, sale, or issuance of a security of the debtor; and is not and was not, within two years before the date of the filing of the petition, a director, officer, or employee of such an investment banker.
13. The applicant has read 11 U.S.C. §101(14) and §327, and FRBP 2014(a); and the applicant's firm has no connections with the debtor(s), creditors, any party in interest, their respective attorneys and accountants, the United States Trustee, or any person employed in the office of the United States Trustee, or any District of Oregon Bankruptcy Judge, except as follows:

14. The applicant has no interest materially adverse to the interest of the estate or of any class of creditors or equity security holders.
15. Describe details of all payments made to you by either the debtor or a third party for any services rendered on the debtor's behalf within a year prior to filing of this case:
16. The debtor has the following affiliates (as defined by 11 U.S.C. §101(2)). Please list and explain the relationship between the debtor and the affiliate:
17. The applicant is not an affiliate of the debtor.
18. Assuming any affiliate of the debtor is the debtor for purposes of statements 4-13, the statements continue to be true except (list all circumstances under which proposed counsel or counsel's law firm has represented any affiliate during the past 18 months; any position other than legal counsel which proposed counsel holds in either the affiliate, including corporate officer, director, or employee; and any amount owed by the affiliate to proposed counsel or its law firm at the time of filing, and amounts paid within 18 months before filing):
19. The applicant hereby acknowledges that he/she has a duty during the progress of the case to keep the court informed of any change in the statement of facts which appear in this verified statement. In the event that any such changes occur, the applicant immediately shall file with the court an amended verified statement on LBF #1114, with the caption reflecting that it is an amended Rule 2014 statement and any changes clearly identified.

THE FOLLOWING QUESTIONS NEED BE ANSWERED ONLY IF AFFILIATES HAVE BEEN LISTED IN STATEMENT 16.

20. List the name of any affiliate which has ever filed bankruptcy, the filing date, and court where filed:

21. List the names of any affiliates which have guaranteed debt of the debtor or whose debt the debtor has guaranteed. Also include the amount of the guarantee, the date of the guarantee, and whether any security interest was given to secure the guarantee. Only name those guarantees now outstanding or outstanding within the last 18 months:
22. List the names of any affiliates which have a debtor-creditor relationship with the debtor. Also include the amount and date of the loan, the amount of any repayments on the loan and the security, if any. Only name those loans now outstanding or paid off within the last 18 months:
23. List any security interest in any property granted by the debtor to secure any debts of any affiliate not covered in statements 20 and 21. List any security interest in any property granted by the affiliate to secure any debts of the debtor not covered in statements 21 and 22. Also include the collateral, the date and nature of the security interest, the name of the creditor to whom it was granted, and the current balance of the underlying debt:
24. List the name of any affiliate who is potentially a "responsible party" for unpaid taxes of the debtor under 26 U.S.C. §6672:

I verify that the above statements are true to the extent of my present knowledge and belief.

Applicant

UNITED STATES BANKRUPTCY COURT
FOR THE DISTRICT OF OREGON

In re

4 Him Food Group, LLC, an Oregon
corporation, dba **Cosmos Creations**

Debtor.

**SUPPLEMENTAL DISCLOSURES FOR
RULE 2014 VERIFIED STATEMENT FOR
PROPOSED PROFESSIONAL**

(LEONARD LAW GROUP LLG)

QUESTION #13 CONTINUATION STATEMENT RE “CONNECTIONS”:

1. The Honorable Peter McKittrick was law partners with Attorney Justin D. Leonard until Dec. 2014. He is not owed further compensation from Mr. Leonard or this firm.
2. Attorney Holly C. Hayman previously worked as an extern with the Honorable Trish Brown and for the Office of the U.S. Trustee in Portland, approx. 7 years ago.
3. The firm regularly represents Verizon Wireless, which is a general unsecured creditor of the Debtor owed approximately \$3,000. The firm represents Verizon in bankruptcy litigation matters in Oregon against Verizon (*i.e.*, contested case proceedings and adversary proceedings). No such proceedings are currently active, and none have previously related to the Debtor or its affiliates. The firm does not advise Verizon regarding its own claims against parties in bankruptcy, such as the Debtor, for which it has separate counsel. Verizon does not object to the firm’s representation of the Debtor in this matter, and it will engage other counsel to the extent necessary.
4. Attorney Justin D. Leonard was a commercial bankruptcy attorney at the law firm of Ball Janik LLP from 2005-2012. While at Ball Janik, Mr. Leonard represented various regional banks, including Columbia State Bank, which is the largest secured creditor in this case. The prior firm’s matters did not involve the Debtor or its affiliates. Mr. Leonard has no current connections to Columbia State Bank.
5. The firm’s attorneys (Justin Leonard, Tim Solomon, and Holly Hayman) focus their practice in commercial bankruptcy. Therefore, they regularly practice with and against attorneys involved in this case in other matters. Furthermore, they serve on various bankruptcy-, public service-, and pro bono-related committees with attorneys for other constituencies in the case. For example, Justin currently serves as Past Chair of the Debtor-Creditor Section of the Oregon State Bar. Most bankruptcy practitioners (including attorneys representing debtors, creditors, trustees, and governmental entities) and all bankruptcy judges actively participate in the Section.
6. These disclosures are submitted as of July 2, 2019 and will be supplemented as needed.

LEONARD LAW GROUP LLC
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Portland, Oregon 97258
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